

HOUSE BILL No. 1063

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.6-6-8.

Synopsis: Local income tax for public safety. Provides for distributions of public safety local income tax (LIT) revenue to townships and other taxing units of an adopting county that operate or contract with a fire department, a volunteer fire department, or an emergency medical services provider. (Under current law, only the county and municipalities are entitled to such a distribution.) Eliminates a provision in current law that allows fire departments, volunteer fire departments, and emergency medical services providers in unincorporated areas of an adopting county to request a discretionary distribution of public safety LIT revenue.

Effective: July 1, 2016.

Aylesworth

January 5, 2016, read first time and referred to Committee on Ways and Means.



Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1063

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3.6-6-8, AS ADDED BY P.L.243-2015,
2 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2016]: Sec. 8. (a) This section applies to the allocation of
4 additional revenue from a tax under this chapter to public safety
5 purposes.

6 (b) This subsection applies to Marion County. The adopting body
7 may allocate part or all of the certified distribution that is allocated to
8 public safety purposes to fund the operation of a public
9 communications system and computer facilities district as provided in
10 an election, if any, made by the county fiscal body under
11 IC 36-8-15-19(b).

12 (c) As used in this section, "eligible taxing unit" of a county
13 refers to the following:

14 (1) The county.

15 (2) A municipality in the county that is carrying out or
16 providing at least one (1) public safety purpose.

17 (3) A township in the county that operates or contracts with



1 a fire department, a volunteer fire department, or an
2 emergency medical services provider.

3 (4) Any other civil taxing unit in the county that:

4 (A) is not described in subdivision (1), (2), or (3); and

5 (B) operates or contracts with a fire department, a
6 volunteer fire department, or an emergency medical
7 services provider.

8 (c) Except as provided in subsection (d), (d) The amount of the
9 certified distribution that is allocated to public safety purposes, and for
10 Marion County after making allocations under IC 6-3.6-11, shall be
11 allocated to the county and to each municipality **eligible taxing units**
12 in the county. ~~that is carrying out or providing at least one (1) public~~
13 ~~safety purpose.~~ For purposes of this subsection, in the case of a
14 consolidated city, the total property taxes imposed by the consolidated
15 city include the property taxes imposed by the consolidated city and all
16 special taxing districts (except for a public library district, a public
17 transportation corporation, and a health and hospital corporation), and
18 all special service districts. The amount allocated under this subsection
19 to a county or municipality **an eligible taxing unit** is equal to the result
20 of:

21 (1) the amount of the certified distribution that is allocated to
22 public safety purposes; multiplied by

23 (2) a fraction equal to:

24 (A) in the case of a county that initially imposed a rate for
25 public safety under IC 6-3.5-6, the result of the total property
26 taxes imposed in the county by the ~~county or municipality~~
27 **eligible taxing unit** for the calendar year, divided by the sum
28 of the total property taxes imposed in the county by ~~the county~~
29 ~~and each municipality~~ **all eligible taxing units** in the county
30 that ~~is~~ **are** entitled to a distribution under this section for the
31 calendar year; or

32 (B) in the case of a county that initially imposed a rate for
33 public safety under IC 6-3.5-1.1 or a county that did not
34 impose a rate for public safety under either IC 6-3.5-1.1 or
35 IC 6-3.5-6, the result of the attributed allocation amount of the
36 ~~county or municipality~~ **eligible taxing unit** for the calendar
37 year, divided by the sum of the attributed allocation amounts
38 of ~~the county and each municipality~~ **all eligible taxing units**
39 in the county that ~~is~~ **are** entitled to a distribution under this
40 section for the calendar year.

41 (d) ~~A fire department, volunteer fire department, or emergency~~
42 ~~medical services provider that:~~



1 (1) provides fire protection or emergency medical services within
2 the county; and
3 (2) is operated by or serves a political subdivision that is not
4 otherwise entitled to receive a distribution of tax revenue under
5 this section;
6 may, before July 1 of a year, apply to the adopting body for a
7 distribution of tax revenue under this section during the following
8 calendar year. The adopting body shall review an application submitted
9 under this subsection and may, before September 1 of a year, adopt a
10 resolution requiring that one (1) or more of the applicants shall receive
11 a specified amount of the tax revenue to be distributed under this
12 section during the following calendar year. A resolution approved
13 under this subsection providing for a distribution to one (1) or more fire
14 departments, volunteer fire departments, or emergency medical
15 services providers applies only to distributions in the following
16 calendar year. Any amount of tax revenue distributed under this
17 subsection to a fire department, volunteer fire department, or
18 emergency medical services provider shall be distributed before the
19 remainder of the tax revenue is allocated under subsection (c):

